

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ELECTRONIC INVESTIGATION OF)	
KENTUCKY-AMERICAN WATER COMPANY'S)	CASE No.
ALLEGED VIOLATION OF A TARIFF AND)	2022-00299
COMMISSION REGULATIONS REGARDING)	
METERS AND MONITORING CUSTOMER USAGE)	

ATTORNEY GENERAL'S SUPPLEMENTAL DATA REQUESTS

The intervenor, the Attorney General of the Commonwealth of Kentucky, through his Office of Rate Intervention ["OAG"], hereby submits the following Supplemental Data Requests to Kentucky-American Water Company ["KAW" or "the Company"] to be answered by the date specified in the Commission's Orders of Procedure, and in accord with the following:

- (1) In each case where a request seeks data provided in response to a staff request, reference to the appropriate request item will be deemed a satisfactory response.
- (2) Identify the witness who will be prepared to answer questions concerning each request.
- (3) Repeat the question to which each response is intended to refer. The OAG can provide counsel for KAW with an electronic version of these questions in native format, upon request.
- (4) These requests shall be deemed continuing so as to require further and supplemental responses if the Companies receive or generate additional information within the scope of these requests between the time of the response and the time of any hearing conducted hereon.
- (5) Each response shall be answered under oath or, for representatives of a public or private corporation or a partnership or association, be accompanied by a signed certification

of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

(6) If you believe any request appears confusing, request clarification directly from Counsel for OAG.

(7) To the extent that the specific document, workpaper or information as requested does not exist, but a similar document, workpaper or information does exist, provide the similar document, workpaper, or information.

(8) To the extent that any request may be answered by way of a computer printout, identify each variable contained in the printout which would not be self-evident to a person not familiar with the printout.

(9) If the Companies have objections to any request on the grounds that the requested information is proprietary in nature, or for any other reason, notify OAG as soon as possible.

(10) As used herein, the words "document" or "documents" are to be construed broadly and shall mean the original of the same (and all non-identical copies or drafts thereof) and if the original is not available, the best copy available. These terms shall include all information recorded in any written, graphic or other tangible form and shall include, without limiting the generality of the foregoing, all reports; memoranda; books or notebooks; written or recorded statements, interviews, affidavits and depositions; all letters or correspondence; telegrams, cables and telex messages; contracts, leases, insurance policies or other agreements; warnings and caution/hazard notices or labels; mechanical and electronic recordings and all information so stored, or transcripts of such recordings; calendars, appointment books, schedules, agendas and diary entries; notes or memoranda of conversations (telephonic or

otherwise), meetings or conferences; legal pleadings and transcripts of legal proceedings; maps, models, charts, diagrams, graphs and other demonstrative materials; financial statements, annual reports, balance sheets and other accounting records; quotations or offers; bulletins, newsletters, pamphlets, brochures and all other similar publications; summaries or compilations of data; deeds, titles, or other instruments of ownership; blueprints and specifications; manuals, guidelines, regulations, procedures, policies and instructional materials of any type; photographs or pictures, film, microfilm and microfiche; videotapes; articles; announcements and notices of any type; surveys, studies, evaluations, tests and all research and development (R&D) materials; newspaper clippings and press releases; time cards, employee schedules or rosters, and other payroll records; cancelled checks, invoices, bills and receipts; and writings of any kind and all other tangible things upon which any handwriting, typing, printing, drawings, representations, graphic matter, magnetic or electrical impulses, or other forms of communication are recorded or produced, including audio and video recordings, computer stored information (whether or not in printout form), computer-readable media or other electronically maintained or transmitted information regardless of the media or format in which they are stored, and all other rough drafts, revised drafts (including all handwritten notes or other marks on the same) and copies of documents as hereinbefore defined by whatever means made.

(11) For any document withheld on the basis of privilege, state the following: date; author; addressee; indicated or blind copies; all persons to whom distributed, shown, or explained; and, the nature and legal basis for the privilege asserted.

(12) In the event any document called for has been destroyed or transferred beyond the control of the Companies, state: the identity of the person by whom it was destroyed or

transferred, and the person authorizing the destruction or transfer; the time, place, and method of destruction or transfer; and, the reason(s) for its destruction or transfer. If destroyed or disposed of by operation of a retention policy, state the retention policy.

(13) Provide written responses, together with any and all exhibits pertaining thereto, in one or more bound electronic volumes, separately indexed and tabbed by each response, in compliance with Kentucky Public Service Commission Regulations and Orders.

(14) “And” and “or” should be considered to be both conjunctive and disjunctive, unless specifically stated otherwise.

(15) “Each” and “any” should be considered to be both singular and plural, unless specifically stated otherwise.

Respectfully submitted,

DANIEL CAMERON
ATTORNEY GENERAL



LAWRENCE W. COOK
J. MICHAEL WEST
ANGELA M. GOAD
JOHN G. HORNE II
ASSISTANT ATTORNEYS GENERAL
1024 CAPITAL CENTER DR., STE. 200
FRANKFORT, KY 40601
(502) 696-5453
FAX: (502) 564-2698
Larry.Cook@ky.gov
Michael.West@ky.gov
Angela.Goad@ky.gov
John.Horne@ky.gov

Certificate of Service

Pursuant to the Commission's Orders in Case No. 2020-00085, and in accord with all other applicable law, Counsel certifies that an electronic copy of the forgoing was served and filed by e-mail to the parties of record.

This 28th day of February, 2023



Assistant Attorney General

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Commission Regulations Regarding Meters And Monitoring Customer Usage
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1. Reference the response to PSC-DR-1-5, and the Excel attachment thereto. Confirm that the grand total of customers who, since January 2018 received an estimated bill for more than two consecutive months, is 18,777.
2. Reference the response to AG-DR-1-2, wherein it is stated that 99.9% of KAW's meters are AMR. Of the customers possessing non-AMR meters, provide:
 - a. the number of customers affected by consecutive months of estimated bills;
and
 - b. the means by which these meters are read.
3. Reference the response to AG-DR-1-3, and Attachment 1 thereto. Confirm that from 2018-2023:
 - a. the number of instances of "Broken Reading Device - Company Action Required" totaled 27,653.
 - b. the number of instances of "No Read Can be Obtained" totals 43,108.
4. Regarding the Company's response to AG-DR-2-3, above:
 - a. explain how many of the broken reading devices referenced in subpart (a) were the result of damage to the radio read devices after installation, and how many were due to any type or sort of manufacturer's and/or design defect;
 - b. identify the name of the manufacturer of the broken reading devices referenced in subpart (a), and the model type and/or number. For each reading device manufacturer so identified:
 - (i) explain whether any product recalls were issued;
 - (ii) discuss the extent to which the manufacturer(s) have been willing to work with the Company in repairs and/or replacement of radio read devices found to be, or suspected of being defective.
5. Regarding damaged / broken radio read devices, explain whether the Company:
 - a. is aware of any studies or literature establishing a normal or average rate for incidences of damage to radio read devices. If so, provide those studies / literature, and provide what the Company believes to be the average life span of its radio read devices;
 - b. has considered procuring more durable devices, if any are available.
6. Reference the response to AG-DR-1-4, in which the Company broke down for each year from 2018-2022 the 10 occasions in which it purchased new radio read devices, and 2 occasions in which it returned existing equipment.

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- a. Confirm the following breakdown of equipment purchases / returns by the Company during this four year period:
 - (i) Purchased 10 Neptune belt clip receivers;
 - (ii) Purchased 31 truck mounted receivers (consisting of 17 Neptune receivers, and 14 Mueller receivers);
 - (iii) Purchased 28 hand-held receivers (consisting of 8 Neptune, and 20 Mueller); and
 - (iv) Returned 8 truck-mounted receivers for repair (consisting of 4 Mueller, and 4 Neptune)

7. Reference the response to AG-DR-1-6.
 - a. In stating that “[u]nscheduled meter replacements are a good proxy for MIU¹ replacements,” explain whether there is any way to distinguish actual MIU replacements from actual meter replacements. If not, are there more unscheduled MIU replacements every year than actual meter replacements?
 - b. Explain whether the approximately 27,000 unscheduled meter replacements from 2018-2023 (to date) represents a departure from industry norms.
 - c. If there is more than one manufacturer of KAW’s meters and MIU units, explain whether the incidence of premature failure is greater for any one such manufacturer.
 - d. Explain whether there is a nexus between cold weather and unscheduled meter replacements.
 - e. Explain whether the approximately 27,000 unscheduled meter replacements from 2018-2023 is also included within the total number of meters replaced during this time frame (approximately 44,000) referenced in the response to AG-DR-1-8, or if the two figures are separate.

8. Reference the response to AG-DR-1-5, in which the Company stated, *inter alia*:
“. . . historically, KAW has made a few warranty claims for metering equipment and received like kind meters or credits on future purchases. . . .” Provide the number of such claims by year since 2018, and identify the manufacturer.
 - a. Discuss the performance guarantees that the manufacturers of KAW’s meters provide.

9. Reference the response to PSC-DR-1-6.
 - a. Regarding the statement at p. 3 of that response that KAW “. . . has changed wireless carriers to achieve better connectivity,” provide a discussion

¹ Meter Interface Units.

regarding whether this change has helped reduce the number of consecutive meter estimates. If so, explain how the Company knows this, and provide supporting data; conversely, if the Company knows that the change has not reduced the number of consecutive meter estimates, provide an explanation of how the Company knows this, and provide supporting data.

- b. Regarding p. 3 of this response where it is stated that KAW has recently consolidated some of its meter reading routes, explain in detail whether the Company has obtained any data indicating that this consolidation has: (i) yielded increased efficiencies; and (ii) reduced the number of difficult meter reads.
- c. In the last paragraph of the narrative response on p. 3, KAW stated that "There has been a recent upward trend in these,² . . ." Discuss the measures KAW has taken to reduce this recent upward trend, and if so: (i) whether those efforts have been successful; and (ii) provide supporting data.

10. Reference the response to PSC-DR-1-6, p. 4.

- a. Provide the total number of KAW's installed residential meters.
- b. Provide the projected service life that the manufacturer(s) of KAW's residential meters represented to KAW.
- c. Provide the lifespan of KAW's metering infrastructure embedded into the Company's current depreciation rates.
- d. Provide the vintage of KAW's current residential meters, as well as their installation date. If KAW obtained a certificate of public convenience and necessity for the installation of these meters, provide the docket number.
- e. If and when KAW decides to seek Commission approval to procure new residential meters, discuss what technical features the Company might seek in order to mitigate the levels of consecutive estimated meter readings, and of expired service orders.

11. Reference the response to AG-DR-1-7 (c). Explain whether the depreciable life of the MIU is separate from the MIU battery's depreciable life. If so, provide the MIU depreciable life.

12. Reference the response to PSC-DR-2-12, and Attachment 1 thereto. Confirm the following figures regarding the total number of expired work orders (pertaining to repairing or installing reading devices, stop consecutive estimate outside, and stop consecutive estimate inside) associated with consecutive estimates vs. the total number of completed work orders associated with consecutive estimates, by year:

² Referring to the number of consecutive estimates.

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2018	23,553 expired / 8,683 completed
2019	15,630 expired / 5,005 completed
2020	1,269 expired / 6,235 completed
2021	9,631 expired / 2,664 completed
2022	11,035 expired / 4,047 completed
TOTALS	61,118 expired / 26,634 completed

- a. Explain whether any expired work orders were re-created and re-worked, and if so, whether any re-expired.
- b. Provide the reason(s) for the increase in expired work orders in 2021-2022.
 - (i) Explain what measures the Company is taking to reduce the number of expired work orders.

13. Discuss how cold weather affects the Company's ability to read meters. Include in your discussion, at a minimum: (i) issues inherent with meter readers obtaining access to roads; and (ii) how cold air affects meters, MIUs, and radio read devices.

14. Reference the response to AG-DR-1-20, the confidential attachment entitled [KAW_R_AGDR1_NUM020_021023_CONFIDENTIAL](#)

- a. At pp. 1-2, explain the meaning of the following:
 - (i) [REDACTED];
 - (ii) [REDACTED];
 - (iii) [REDACTED]
- b. Explain whether the Company has concluded that [REDACTED] and how they led to consecutive estimates.
- c. Provide a discussion regarding [REDACTED] the Company has taken to date, and [REDACTED]
- d. Identify the manufacturer of the 2,000 meters discussed in the Company's response to AG-DR-1-13.

15. Reference the response to AG-DR-1-20, the confidential attachment entitled "[REDACTED] [REDACTED]", in the following confidential attachment: [KAW_R_AGDR1_NUM020_021023_ATTACHMENT_1_CONFIDENTIAL](#)

- a. Discuss the issues, factors and reasons that led the Company to [REDACTED].
- b. At p. 2, confirm the following statement: "[REDACTED] [REDACTED] [REDACTED]"

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- c. If the statement in subpart a., above is confirmed, provide a detailed narrative [REDACTED].
- d. Identify the meaning of the acronyms "[REDACTED]," and "[REDACTED]."
- e. State whether KAW's [REDACTED].
- f. At p. 4, under the heading "[REDACTED]," confirm the following statement: "[REDACTED]
[REDACTED]
[REDACTED]" If this statement is confirmed, [REDACTED].
- g. At p. 5, in the right column, explain whether the "[REDACTED]" will alleviate the issue of consecutive meter estimates and any related issues, and if so, how.
- h. At p. 9, in the right column, confirm that in [REDACTED] were found [REDACTED]." Explain what this quoted phrase means, and how it can affect the Company's [REDACTED].
 - (i) Explain why the "[REDACTED]" for KAW exceed those for both the [REDACTED] companies.
 - (ii) Confirm that the figure of [REDACTED]
[REDACTED]
[REDACTED].
- i. Explain whether the increase in expired work orders from 2021-2022 is affecting the Company's [REDACTED], and if so, how. Discuss also what actions the Company is taking to address this issue.
- j. Explain whether the Company has concluded that based on the [REDACTED], the performance of the Company's meters [REDACTED]
[REDACTED]. If so, provide quantifications of the [REDACTED]
[REDACTED].
- k. In the event that the meter issues [REDACTED]
[REDACTED]
[REDACTED].

16. Explain whether the Company intends to pass the following costs on to its ratepayers, and if so, provide all justification:

- a. replacing defective meters, including those with [REDACTED];
- b. meters rendered inoperable or which report inaccurate data due to defective installation.